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15 VIDEO TRANSCRIPTION

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1 P R O C E E D I N G S

2 RPLI\_SEC 1100507\_HIGHLY CONFIDENTIAL

3 MR. GARLINGHOUSE: Happy Tuesday, everybody.  
4 Hi, [REDACTED] Okay, you guys, we're going to get  
5 started. Antoinette and [REDACTED] come on over. I hope  
6 everybody's having a great week. It's great, as I've  
7 said for those of you who have been around for a little  
8 while, not today but over the 10 year of Ripple. This  
9 is one of my favorite times of the year, not because  
10 it's the holidays, but really because it's an excuse to  
11 bring everybody together.

12 Certainly I remember the moment over across  
13 the street when it felt like holy shit we've outgrown  
14 the space. And I'm having a similar moment right now.  
15 That happened way more quickly than we intended. But  
16 no, look I'm excited everybody's here. It has been a  
17 truly momentous year in a whole bunch of ways. We've  
18 got a lot of stuff we're going to cover today.  
19 Everybody get comfortable. I think it's going to be a  
20 good kind of hour and a half or so. And we'll  
21 obviously take questions at the end, but you know I  
22 think there's an opportunity to really step back and  
23 think about not where we were last week or last month,

24 but if you reflect on one year ago today doing the end  
25 of year all hands and where we were, and you reflect on  
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1 where we are today, it's really pretty remarkable.  
2 All right, so let's get started. So, quick  
3 agenda. I'm going to start off with the first and  
4 second item. Monica's going to come up and talk about  
5 the Go-to-Market Strategy and some changes there.  
6 Asheesh and [REDACTED] and I think [REDACTED] are coming up to  
7 talk about the Product and Technical Plan. Ron's going  
8 to talk about our 2018 OKRs and then [REDACTED] and I are  
9 going to do the LEGGO Awards which is always fun. And  
10 then a special surprise video with a couple of very,  
11 very humorous moments that I will not say more about  
12 right now.

13 So, look as I reflect on 2017, I will start  
14 with this. When I saw this photo, I mean, obviously  
15 look, it's been an unbelievable year. I saw this photo  
16 and I thought can someone please start a Slack Channel  
17 with the thought bubble that [REDACTED] has over her head?  
18 I think it's something like what the -- I'm going to  
19 have to clean all this shit up. [REDACTED] was right here  
20 and she's now hiding from me somewhere.

21 Anyway, look. There's a lot to celebrate.  
22 As we go through today, I want us to be celebratory.  
23 We should be, but I also want us to talk about here's  
24 some things we gotta do better. Here's some things we  
25 ought to be insightful about what's going on in the  
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1 market place, how we want to change our behavior and  
2 what should change.

3 So hopefully this is not a surprising slide.  
4 Everybody should know this backwards and forwards. You  
5 know, Chris Larsen started this company years and years  
6 ago with a couple other people around the table,  
7 certainly David Schwartz, Arthur Britto we've all seen  
8 around. And the vision has stayed true to where we are  
9 today. How do we enable an internet of value? How do  
10 we enable value to move the way information moves  
11 today? It's not that often that you have a company  
12 that has stayed to a true north for as long as we have.  
13 And to really see the dense we're putting -- the  
14 momentum we're creating towards that.

15 Now, as we've said, the vision shouldn't  
16 change, you know, maybe once every 10 years. The  
17 mission has certainly evolved of how do we catalyze  
18 that. It used to be really about engaging banks. We  
19 realized that it's not just about banks; it's about  
20 financial institutions more broadly. And really we  
21 step back and said it's about removing friction from



22 global payments, period.

23 Now, if you want to enable an internet of  
24 value, you've gotta start somewhere. Cross boarder  
25 payments, global payments, there's a lot of friction

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1 there as measured by speed, as measured by cost, as  
2 measured by transparency. If we can solve those  
3 things, we can catalyze a whole bunch of other things.

4 All right, now this is also a slide that  
5 you've seen before, at least if you're not new, you've  
6 certainly seen before. To me what's changed the most  
7 in 2017 about this slide is a huge props to the product  
8 and engineering team because we have now really  
9 productized the various pieces here. So let me talk  
10 through that just for a moment.

11 So first of all, xCurrent which is really,  
12 you know, for all intents and purposes, our flagship  
13 product, you know a year ago what did we call xCurrent?  
14 Ripple Solution. And everybody was like well wait a  
15 minute. If it's a Ripple Solution, it just confused  
16 everybody and we were confused. And so anyway, it was  
17 the only product we really had and we called it the  
18 Ripple Solution. And then we had this team called the  
19 Ripple Solution Team. And it was like well how --  
20 anyway the whole thing was confusing. And I know it  
21 sounds maybe small, but in terms of getting the company  
22 focused and our go-to-market internally, externally,  
23 really packaging the product and having clarity about  
24 who our customer is, the value proposition of the  
25 product is a big deal and I think and it really has

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1 moved forward a lot. The other thing I will say very  
2 briefly here is, I think I'm getting this right, that  
3 this year we had releases of 3.0 -- xCurrent 3.0,  
4 xCurrent 3.1, xCurrent 3.2 all on time. And I think  
5 3.3. Am I right? So that's a big deal. There aren't  
6 that many companies -- I've been around longer than  
7 some of you, Silicon Valley companies generally are  
8 very, very data hitting their engineering and product  
9 milestones. So I think it's great we've set a culture  
10 disciplined about what we get done. And I think that  
11 also contributes a lot to our success, so congrats to  
12 the whole team on that.

13 The second product I want to talk about  
14 for a moment, xRapid. Again, we used to talk about  
15 xRapid and there was kind of different names to it, but  
16 to me productizing xRapid this past year is hugely  
17 momentous to the company because it really starts to  
18 make the value proposition, the utility of XRP very  
19 real and very tangible. And ultimately when we go out



20 and look at what's going on in the digital asset market  
21 which of course we'll talk about today, well I'll talk  
22 more about that in a minute. I was going to make a  
23 joke. But you know, I think we're demonstrating  
24 there's a very real value proposition there. We're  
25 going to talk about it a little bit more in a moment so

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1 I won't steal all my thunder.

2 And then finally, xVia. You know, I think  
3 this is also one where it was only about a year ago  
4 that we started talking about productizing a corporate  
5 solution and now we've productized it. We have  
6 customers. I mean, that's a really exciting kind of  
7 trajectory and certainly I look forward to 2018, lots  
8 of good momentum there.

9 And then of course RippleNet at the core of  
10 this. You know, we're now able to talk about, you  
11 know, real RippleNet volume. We're going to talk more  
12 about that today, but again if you look back compared  
13 to 2016 at this moment in time, we've come a long way.

14 All right. Oh, you know what? I want to  
15 give one more quick shout out to the Product  
16 Engineering Teams. They had a big year. I'm going to  
17 read through like eight bullet points here real  
18 quickly. Public launch of RippleNet. Initial release  
19 of RippleNet rule book. First production payment over  
20 ILP in June. Granted, it was for eight dollars, but it  
21 counts. XCurrent customers' first connection to India.  
22 Over \$700 million dollars of volume. XRP Ledger hits  
23 1500 transactions per second. Wow. Congrats Ripple D  
24 Team. XRP Legend turned five years old. Happy  
25 birthday. That was just like last week, right? Next

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1 week? When is the birthday? The 21st. Sorry, I knew  
2 that. Five-year birthday. 260 million confirmed  
3 transactions. That's 3x more transactions than Bitcoin  
4 or Ethereum. The xVia product and use case conceived  
5 with contracts signed and integration started. We  
6 talked about that. All right, that's all that.

7 So, good progress. Now we can't have a  
8 complete discussion about this without talking about  
9 price of XRP. This is kind of a crazy slide and of  
10 course one of the things you're going to notice during  
11 the course of the presentation today is the data is all  
12 wrong. No, sorry. Not picking on [REDACTED] I'm not  
13 picking on [REDACTED] I'm picking on the fact that it's  
14 hard to keep data up to date. We had done some of  
15 these slides as of last Friday. [REDACTED]  
16 very kindly said, "Well, let's update them this  
17 morning." And guess what? They're already out of date



18 again. But look, this is as of December 8th. We're up  
19 about [REDACTED] for the year. And you think about the  
20 difference that has made for the company in our  
21 position in the market place, the resources we have,  
22 the momentum we have, the leadership we have, it's  
23 profound. The right-hand side, we had forecast [REDACTED]  
24 [REDACTED] of XRP sales during the course of the  
25 year. We're going to end somewhere I think actually

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1 around [REDACTED] because of a small change we just  
2 made, but holy shit. Holy camolies. That's pretty  
3 awesome and gives us a ton of resources to invest in  
4 the team here on new faces, but also the eco-system  
5 around us. And I think again it just has been  
6 transformative to the company overall.

7 All right, a couple other things here. So,  
8 of course you know, the year is not complete if not  
9 talking about a lot of new brands, a lot of new logos  
10 here. So to me it's also the quality of the logos  
11 here. Having banks like BAML, Credit Agricole, Amex  
12 publicly talking about the work they're doing with us  
13 is a very big deal. So in Q1 we signed [REDACTED]  
14 In Q2, we did [REDACTED] Q3, we did [REDACTED]

15 [REDACTED]  
16 How do I pronounce that? [REDACTED] Say it again.  
17 [REDACTED] I wouldn't have gotten that right. Oh  
18 sorry, wait, wait, wait, sorry. And you know we are  
19 finishing strong -- I should do a quick plug for those  
20 of you on the Customer Success Team. We just went live  
21 today with [REDACTED] fame which is great. And  
22 obviously a great step forward. [REDACTED] continues to  
23 lean in.

24 Now, it isn't just about banks. So again,  
25 one of the things that's evolved for the company is

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1 realizing that we do care about a broader customer set  
2 than just banks. On this it's really about, you know,  
3 getting customers like [REDACTED] etc. A  
4 big shout out here, sorry, to [REDACTED] and the legal team  
5 have done a ton of work on this side. And again we did  
6 not have a lot of traction on this segment before.  
7 We've got five signed with one more we hope we're going  
8 to close in Q4, right [REDACTED] Where's [REDACTED] Nice job  
9 back there. Anyway, obviously great momentum here.  
10 And then on also getting traction beyond banks xRapid.  
11 You know, I again, I think this is a huge deal for the  
12 company, a huge deal for the industry. In a world in a  
13 kind of sea of frankly a lot of chaos with what do  
14 tokens do, what's the value proposition, being able to  
15 really show tangibly, we can save people time, we can



16 save people money by leveraging a product like xRapid.  
17 And admittedly we're still early there. We've got work  
18 to do, but this is actually happening today and we've  
19 got real customers signed up. Some of you guys know,  
20 Patrick Griffin and I met with the whole leadership  
21 team of MoneyGram down in Dallas a couple of weeks ago.  
22 And, you know, look, they are incredibly excited  
23 because this is transformative for them. They spend a  
24 lot of right now prefunding accounts, leveraging  
25 existing rails and this will be a big change for them.

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1 And if we get them live at scale in one corridor, then  
2 another corridor. You've heard me talk about crawl,  
3 then walk, then run -- making good progress there.

4 On this I'm going to give a shout out both  
5 again to the legal team, but also [REDACTED] in particular.  
6 He's around here somewhere. I saw him. You guys are  
7 hiding back there. Anyway, lots of good progress  
8 there. So I think [REDACTED] deserves some good credit  
9 there. Nice work.

10 Okay, the last segment of getting traction  
11 beyond banks is about xVia. And again, if you really  
12 think about starting from a standing start, we had an  
13 idea of how we could leverage effectively an API access  
14 to RippleNet, make it simpler for a lot of different  
15 players. Again, if you told me a year ago we would  
16 have deals signed with over half a dozen MSBs, that as  
17 we bring these two down to market and made them live in  
18 Q1, I think the world will take notice in a way that we  
19 haven't seen the world take notice on some of the  
20 stuff. So it's great. I'm going to give a shout out  
21 to [REDACTED] and [REDACTED] on this one. Good job, [REDACTED]. I  
22 don't know -- is [REDACTED] here? I will also because I  
23 think too often we do these all hands and I'm guilty of  
24 this as much as anyone, it does take a village.  
25 Certainly the finance team doesn't get the love they

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1 deserve sometimes. The legal team doesn't get the love  
2 they deserve sometimes. The compliance team. It is  
3 the infrastructure that enables, you know, the people  
4 at the tip of the spear to sell more deals, close more  
5 deals. But it does take a team effort and so I  
6 certainly don't want those guys, even though I've given  
7 specific shout outs to some of the deal teams, to feel  
8 like they're not part of those deals.

9 All right, this next section is super  
10 exciting. Holy shit. You know, [REDACTED], one customer will  
11 do over [REDACTED] dollars of volume using Ripples  
12 technology this year. That is a huge deal. And you  
13 know, again, we talk about a lot of hype in the



14 blockchain space. This is real. This isn't just  
15 conjecture. This isn't an experiment. This is [REDACTED]  
16 [REDACTED] dollars. The CEO of [REDACTED], they had -- kind of  
17 Silicon Valley had brought customers here to Silicon  
18 Valley and they invited me to present. And they love  
19 what they're doing with Ripple. Some of their board  
20 members were there. They're totally engaged and  
21 excited. Right now admittedly we have one corridor.  
22 They're expanding that to more customers to take  
23 advantage of that open corridor, but then to expand the  
24 number of corridors, number of banks as well.

25 Now the second one I'll highlight here is

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1 [REDACTED] transactions through [REDACTED] and [REDACTED]. And  
2 again, you know, these are smaller transactions on a  
3 dollar size, but demonstrating this can scale is very,  
4 very important.

5 The last thing I'll touch on here is -- I  
6 think it was over the Thanksgiving week, [REDACTED] and  
7 [REDACTED] went live and in their first week did [REDACTED]  
8 in transactions. So I have been waiting -- when I  
9 first got to this company, it almost kind of closed  
10 down three years ago. We talked about volume. We  
11 talked about volume. We talked about volume. Guess  
12 what? We've gone from zero to a one. I mean, that  
13 simply, it's taken a lot of effort to get things  
14 moving. In the whole scheme of global payments, these  
15 are still small numbers, but it demonstrates we're  
16 solving a real problem and scaling from here is I think  
17 easier than getting from zero to one. So a big shout  
18 out to the Customer Success Team who's obviously on the  
19 front lines day in, day out working on these accounts  
20 and others and getting them live. We made a ton of  
21 progress, not just in 2017, but even the last several  
22 weeks, so congrats to everybody.

23 So, you know one of the things we talked  
24 about is network effects and flywheel. I'll really  
25 quickly talk about the different lines here that look

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1 like they're going all over the place. There's some  
2 squirrely ones. The dotted lines we expect to go live  
3 in Q1. The solid lines are live now. The whole  
4 vision, you know, people talk about well couldn't  
5 somebody else do some of this? That's true, but once  
6 you build the network effects, once you have lots of  
7 connection points, the ability for somebody else to  
8 come in later and say, "I can do that," is a whole lot  
9 harder. So this is also not just measured by the  
10 volume from [REDACTED] and [REDACTED] and what have you, the more  
11 interconnects we get, the more defensibility and the



12 more (inaudible) we create in our business, so super  
13 excited about you know some of the squirrely lines and  
14 hopefully some that aren't even on here yet will still  
15 get done in Q1 also, so good stuff. And again, this is  
16 really about the Customer Success Team. [REDACTED]

17 [REDACTED] is probably out there. He's in London.

18 There's a snow storm in London, so he couldn't make it  
19 over, but led by [REDACTED] but certainly [REDACTED] and [REDACTED]  
20 the whole team across Customer Success, a ton of great  
21 work, so congrats to them, all right.

22 So, you know I remember it was actually about  
23 last January, Monica pulls me aside, our prestigious VP  
24 of Marketing and says, "Hey Brad, I think we have a  
25 problem." And I'm going, "What's going on? There's no

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1 problem that can't be solved." She says, "I think  
2 we're going to get boxed out of [REDACTED]" And you know  
3 we kind of dig into kind of what's happened here. And  
4 look, you know, it's clear that Swift is not  
5 necessarily in the Ripple fan club yet, or maybe ever,  
6 we'll see. But you know, Swift kind of decided maybe  
7 they weren't so excited about us being there. And I  
8 think what the team around marketing and again it takes  
9 a village, design team, marketing team. What we did at  
10 Swell was a really big deal. It was definitely putting  
11 the Ripple personality, the Ripple culture front and  
12 center and kind of saying, you know what? That's  
13 great. You guys should do that. But we're going to do  
14 something that is special and unique to the blockchain  
15 industry, special and unique to Ripple. The fact that  
16 we were able to not just have a lot of fun with things  
17 like the Steve Miller Band and some of the bankers you  
18 saw dancing to Steve Miller Band was very memorable.  
19 But you know seeing you know we got Ben Bernanke here  
20 in this photo, you know, like this is a big deal you  
21 guys. This is not possible three years ago. From a  
22 credibility point of view, we were not there. And now  
23 people look at what we're doing and they're like, "Hey,  
24 these guys are, you know, the willingness to Ben  
25 Bernanke to implicitly endorse Ripple by coming to this

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1 event." Yes, we did pay him, but look, this is a big  
2 deal. So anyway, good progress. I think Swell was a  
3 kind of momentous event in 2017 also.

4 All right. I didn't mention, but a small  
5 plug -- I shouldn't say small plug. An important plug,  
6 we had a central bank summit in New York and we've  
7 talked a little bit about it. But again, you know,  
8 from a raising our credibility and our stature on the  
9 global stage, it's also a big deal and both Ryan Zagone



10 and Miguel obviously played key roles as well as the  
11 team marketing to kind of bring that to life, so  
12 congrats.

13 All right, you guys are just being nice now.  
14 You're clapping on every slide like you feel like you  
15 have to. You don't actually have to clap at every  
16 slide. All right, okay, sorry. So another thing I  
17 think has changed, you show up in our office at 315  
18 Montgomery and, you know, we are incredibly fortunate  
19 to host bank CEOs, you know, the Prime Minister of  
20 Luxembourg, the Treasury Secretary or the head of the  
21 (inaudible) of the FED in Thailand. You know, they come  
22 to our office and they realize we aren't just some  
23 fly-by-night startup. Like, this is serious. This is  
24 legitimate. And so, it's as big kind of stepping  
25 stone, our growth as a company. I want to give a quick

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1 shout out even though it's been a long time. [REDACTED],  
2 [REDACTED] you guys as well as it takes an army,  
3 were awesome leaders in bringing the new office space  
4 to life. I think we all still very much enjoy that  
5 even though we might have to move sooner than we  
6 thought. No, we're not going to do that, sorry. You  
7 guys get to do it all over again next year. No. We're  
8 going to stay here for a while. No, I'm not going to  
9 go down that path. All right, so good stuff going on  
10 there.

11 Now, we've also grown our footprint outside  
12 of the United States. India and Singapore. A year ago  
13 I think we had zero employees at either location and  
14 now we've got team members at both. We're now at just  
15 right around 193 employees. We hope to hit 200 by the  
16 end of the year. Oh, sorry. I got nervous there. We  
17 hope to be around 200 at the end of the year. Making a  
18 ton of progress. All right.

19 In Q4 -- oh shit. We didn't refresh this.  
20 There's a type on it. It's actually not 23 new  
21 Ripples in 2017. It's 23 Ripples in Q4. You know,  
22 I'll give a shout out, I love the fact that our  
23 recruiting team is not just hitting the numbers, but  
24 they're also making sure that we are recruiting a lot  
25 of diversity globally and I think that's represented

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1 here. We'll continue to make that a priority in 2018,  
2 but good stuff. A lot of fun faces having joined the  
3 team. Welcome to all of them. There'll be a quiz  
4 later on all the non-Googleable facts for all of them.

5 Now, we also made a couple adjustments in  
6 growth on the leadership team. Oh, that's not yet. A  
7 couple highlights on the leadership team. Come on, I



8 always do that. Come to expect that. First of all in  
9 March, I think it was March. Keep me honest here.  
10 [REDACTED] joined us as our Global Head of Sales.  
11 That does deserve an applause. [REDACTED] over here joined  
12 as our head of HR. Super glad to have her, also. And  
13 I think demonstrative of our growth as a company  
14 bringing in leaders like both of them has upleveled our  
15 game and certainly like the leadership team upleveled  
16 our game there as well.

17 I have one piece of news that I will share.  
18 Friends, we're in a private space. We're not going to  
19 go Tweet about this, yet. We also upgraded our board  
20 in 2017. Like we liked our board before, but board's  
21 change. We have publicly announced Ben Lawsky. Ben  
22 Lawsky was the head of the New York Department of  
23 Financial Services, DFS, and kind of an architect  
24 behind the first Bit license. He joined our board  
25 recently. I thought it was kind of funny. Some of you

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1 might have seen that David Schwartz and, you know, a  
2 early Bitcoiner had a Twitter -- where's David? He's  
3 around here somewhere. Had a kind of Twitter back and  
4 forth with this early Bitcoiner. It was like,  
5 "Ripple's forever dead to me because they put Ben  
6 Lawsky on the board." That is what is wrong with the  
7 part of the community that is ignoring regulation,  
8 ignoring the fact that we live in a world of rules and  
9 laws and David's done a great job of kind of responding  
10 to some of those out there. So anyway, Ben Lawsky  
11 joined. Also, and he does it on the cold call, Ken  
12 Kurson, sitting behind near the back joined our board.  
13 That was early in the year. So the piece of news, I  
14 don't know exactly when we're going to announce this,  
15 is that we are adding a 9th board member. We have  
16 eight board members today. We have coming tomorrow to  
17 our board meeting is a new board member who will  
18 officially be added tomorrow is named Zoe Cruz. Zoe  
19 was the President of Morgan Stanley and she is a big  
20 hitter in Wall Street. She, you know, long history,  
21 kind of 30-year career at Morgan Stanley, very well  
22 respected, very well known. And she already -- she's  
23 on the board of a company in -- the (inaudible) in  
24 South Africa. John Mitchel is aware that you know she  
25 was sitting next to the CEO of Nedbank and she's

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1 already our biggest sales person so it's been great.  
2 We'll announce that sometime really soon, but  
3 it's a big deal. Again, it to me demonstrates how far  
4 we've come that someone like Zoe Cruz is interested and  
5 wants to join our board. And so I'm super excited



6 about that, also. I realize I got one important  
7 leadership add that clearly as I go through my notes  
8 quickly, I did not get. And it's this guy in the  
9 middle who looks like he might have a pinstripe shirt,  
10 you know, Ron Will. Welcome Ron Will as our new CFO.  
11 We're thrilled to have you.

12 You know, just in the six weeks Ron has been  
13 here, I'm thrilled he's here. I haven't actually told  
14 him this yet in person so I'll just do in front of  
15 everybody. He is taking shit off my plate which is  
16 just a very happy thing. So I am -- and I shouldn't  
17 say shit. This is important stuff that he's taking off  
18 my plate, but no seriously, I think Ron has in his six  
19 weeks already hit the ground running and thrilled to  
20 have him here as a guy who's been around the Valley a  
21 long time, been involved in a lot of good transactions,  
22 M&A and I think he also has helped uplevel our game, so  
23 welcome Ron.

24 All right, two promotions I would like to  
25 talk about. The first of which you know we don't get

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1 to do this that often, but [REDACTED] is around  
2 here somewhere. Where are you, [REDACTED] Where'd he  
3 go? Stay standing. (Inaudible) guy over there.  
4 You're a sales guy. You should revel in the moment.  
5 Anyway, so I do think it's nice to step back and  
6 recognize some of the people that are getting promoted  
7 and that [REDACTED] is going to be Regional VP for  
8 European Sales based out of London still, but excited  
9 to have him working on that. The second person I'd  
10 like to recognize who I've already made fun of once  
11 during this presentation, [REDACTED] who's moving from the  
12 front desk over to be an EA to support, help me --  
13 Asheesh, [REDACTED] thank you. And where's [REDACTED]  
14 Where'd you go? Where is she? She's watching us from  
15 afar. She's at reception because she is that diligent.  
16 Thank you, [REDACTED] All right.

17 I'm going to go through this real quickly  
18 because Ron's going to spend a little more time on this  
19 at the end. But this is, you know, where we said 2017  
20 overall, the column to kind of follow for this purpose  
21 is -- we did a reforecast. We do a quarterly  
22 reforecast on how we're trending. We give the board  
23 that update. So you know what you see here is how we  
24 doing. I'm going to spend a second on the software and  
25 services line. Because you might look at that and say,

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1 well wait a minute we didn't have a goal. One of the  
2 things that I have realized this year and I would  
3 encourage all of you guys to start thinking about,



4 sorry. I'll even tell this story. Yesterday, yes, it  
5 was yesterday, I was in Philadelphia with Miguel who's  
6 floating around here somewhere. And we were talking to  
7 one of the founders of one of the biggest trading firms  
8 in the United States called Susquehanna. They do a lot  
9 of Bitcoin trading. They don't currently trade XRP.  
10 We're going to talk to them about trading XRP. And he  
11 asked an interesting question. And he said, you know,  
12 we talked him through our business, how it works and he  
13 says, okay, "So I'm curious. You know, how much are  
14 you doing in software and services like as part of your  
15 whole?" And I said, you know, kind of this -- as a  
16 percentage I think I said, "Like around 10 or 15%."  
17 And he said, "Why do you charge anything?" And he's  
18 totally right. And I think that what we have  
19 historically said is the most important metric for the  
20 business, and by the way, I blame myself. I said, "The  
21 most important metric to grow this business is going to  
22 be bookings of software and services." And  
23 increasingly what we've found is sometimes that gets in  
24 the way of getting customers on board. If we get  
25 customers on board, we can get them using things like

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1 xRapid. If we get them using things like xRapid, then  
2 we're going to drive the velocity and usage of XRP.  
3 And if that happens and the price of XRP goes up and  
4 guess what? We own a shit ton of XRP. Technical term  
5 there, but anyway. So look the reason why -- I'm not  
6 at all upset about that red dot at the top. We learn  
7 every year as we go. We're still a startup. And, you  
8 know, one of our values is E- enjoy it and enjoy the  
9 journey. Part of the journey is realizing where we get  
10 things right and where we get things wrong. And so  
11 later on Ron will come up and talk about some of the  
12 2018 OKRs and where we're going. And I'm sure I'm  
13 taking too long and Monica's going to yell at me so  
14 I'll go quickly. Huge win on XRP bookings even  
15 relative to where we thought a few months ago. Hit our  
16 deployment's goal. And we gave it green on total spend  
17 in part because some of the spend are things like  
18 commissions to market makers and so if you blow out  
19 your XRP number, you're going to spend a little bit  
20 more. That's just a mathematical thing, not that we  
21 didn't have good discipline and controls around that.  
22 [REDACTED] sorry, bless you.

23 Importantly, we're ending the year with a lot  
24 of cash in the bank. Again, that gives us lots of  
25 flexibility to do stuff including pay everybody which

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1 is nice.



2           Okay, I'm sure I'm taking too long. Yes,  
3 somebody wants to get paid, thank you. I'm going to go  
4 through this next section kind of quickly, but the  
5 market has evolved a lot in 2017. How have we changed?  
6 Well, look, this is the 4000%. So the top line here is  
7 dash. The dash has increased somewhere around 80x over  
8 the course of the year. Holy shit. What's amazing --  
9 so we are the light blue in the middle with the kind of  
10 frosting on it where we're up a little over 40x during  
11 the course of the year. I'm not sure that's updated  
12 for today's activity. The amazing thing here is  
13 Bitcoin is the low performer up 17x for the year.  
14 Think about that for a second. You're up 17x and  
15 you're the low performer. So this is great and, you  
16 know, remarkable year across crypto. But in the  
17 intellectual honesty, this previous chart is from the  
18 beginning of the year. Nothing really happened until  
19 kind of March. You see a big spike up in XRP in  
20 particular. But if you just look at the last three  
21 months, XRP has underperformed the market. This is not  
22 updated as of today or maybe it is updated as of today.  
23 Sorry. Well it's not updated as of the last two hours,  
24 I don't know, anyway. Anyway, the point I'm making  
25 here is I'm going to continue to beat the drum that it

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1 isn't about three days, three weeks or three months.  
2 It's about three years or five years. If we execute  
3 our strategy successfully and we get lots of financial  
4 institutions around the world using our services, using  
5 our solutions, it's going to drive demand for XRP and I  
6 am much more worried about that three to five year arc  
7 of time than a three day. Now I'm going to contradict  
8 some of what I just said. It matters that we stay in  
9 the lead pack. If people perceive us as an after run  
10 and kind of dropping down the ranking if you will as  
11 measured by market capital, I do worry about that. I  
12 think that is, you know, the perception of Ripple, the  
13 brand perception of Ripple shifts a little bit. And so  
14 I want to make sure we're doing things as we did  
15 yesterday where we did a great post on insights  
16 comparing the performance of XRP with the performance  
17 of other digital assets and we want to make sure we are  
18 telling our story and getting people excited about our  
19 story. So it's not to say that I don't care and, you  
20 know, I don't want everybody to all of a sudden shift  
21 to the short term. I want to stay long term-focused,  
22 however I also want to make sure we don't, you know,  
23 ignore that what's happened on a day-to-day basis.  
24 Frankly, you see IOTA go through the roof, you know, I  
25 don't even know what to say about that. Like, I don't



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1 see a lot of substance in what they're doing. And I  
2 think ultimately hype and reality come into equilibrium  
3 over time. There's a lot of hype. You gotta make sure  
4 the reality is there. I think Ripple has a lot of  
5 reality, a lot of substance because of the great work  
6 everybody here is doing. So we want to make sure that  
7 we are telling some of that story. Okay, I'm way off  
8 on my notes. Hold on one second. I skipped some  
9 things I wasn't supposed to skip. Monica will yell at  
10 me later.

11 Okay, so that's the kind of just quick talk  
12 track on where we are with XRP. We want to continue to  
13 do some things to make sure people understand the  
14 benefits of XRP and we can compare, contrast how Ripple  
15 is doing things to drive the eco-system. The other  
16 thing I'll briefly say about this is we probably will  
17 get more proactive and engaging people who want to use  
18 the XRP ledger for other purposes and payments. So  
19 that might mean we'll invest in companies. It might be  
20 we'll support companies. But we want to see other use  
21 cases for XRP. It's a very efficient and we want to  
22 see other use cases. We Ripple want to remain focused  
23 on what we're doing with payments, but there will be  
24 other companies that will have other use cases for XRP  
25 and I think if you think about the excitement people

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1 have for some of these other digital assets it's  
2 because they think about it very horizontal and I think  
3 very thin as opposed to Ripple's been not horizontal,  
4 very you know, narrow but very deep. I think there's  
5 some other vertical use cases that we could encourage  
6 others to go after and actually even invest in those  
7 companies to help them be successful.

8 All right, this is just a point. Like I  
9 want to make sure we continue to pay attention to the  
10 competitive landscape. IBM and hyper ledger r3, Visa,  
11 however I also think the signal to noise problem,  
12 there's a lot of noise, a lot of experiments. There  
13 isn't a lot of real traction out there. I think we are  
14 way ahead of the pack. I want to make sure we keep  
15 pressing on that, but I feel like we're in a pretty  
16 good spot. You're going to continue to see  
17 announcements I think. It was interesting after --  
18 some of you may have seen this, but after [REDACTED], the  
19 CEO of Swift fired his head of product and marketing  
20 which I just thought was an interesting little nugget  
21 but right after [REDACTED] and right after Ripple does  
22 Swell, they decided maybe this guy wasn't getting it  
23 done. Anyway, I feel badly for him, but not that



24 badly. All right. What's that? He's not that great.  
25 We've met him. He was the one that -- okay.

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1 This is partly a joke admittedly. You know,  
2 some of you who are a little younger don't know the  
3 deep thoughts joke here. Check Saturday Night Live.  
4 This is just a chance before I hand it off to Monica, I  
5 really am incredibly proud to be the CEO of this  
6 company. I think we have made huge progress and I get  
7 to go out there and take credit for the work that  
8 everybody in this room is doing. I get to go out there  
9 and represent everybody here. Hopefully you guys are  
10 happy with that. The Board hopefully is happy with  
11 that. But I'm really proud of how far we've come. I  
12 don't think I am particularly good at stepping back and  
13 taking stock for you know the evolution and I think at  
14 the end of the year is a great time to truly step back  
15 and show a ton of appreciation for everybody here, a  
16 ton of appreciation for both the skill and in some  
17 cases the luck we have had to find ourselves in this  
18 really unique place.

19 So kind of four concluding thoughts. One, as  
20 I said it's been a great year. The second, it's really  
21 interesting that we don't let the overall digital asset  
22 market get too far out there. I'm perfectly happy kind  
23 of where we are. It's nice to see, if you haven't paid  
24 attention today, when I walked up here to attend the  
25 lunch, XRP was up around 34 cents which is a big move.

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1 Apparently they were doing that because they knew we  
2 had a board meeting tomorrow and that the board is  
3 really happy. Ken says yes. Anyway, we'll say thank  
4 you to the XRP markets. This next section is kind of a  
5 segue, points three and four here, is we've gotta get  
6 smarter day by day. We learned a lot based on how we  
7 are going to market in 2017 and we want to make sure we  
8 take that information and get smarter with how we go to  
9 market both from a sales point of view, a marketing  
10 point of view. And, last but not least, recruiting  
11 matters. We need to continue to hire the very best,  
12 the very brightest and aim very high for the type of  
13 talent we have and hold that high bar. I think we have  
14 we have been really fortunate there are a lot of  
15 world-class people in this room and I'm super pleased  
16 with where that is. I want to make sure that we take  
17 advantage of the product maturity we have. Real  
18 customers in market and continue the journey in 2018.  
19 All right, I'll be back up here later. I'm turning it  
20 over to Monica Long. Thank you and good night. No,  
21 just kidding, all right.



22 MS. LONG: Thank you, Brad. All good back  
23 there? So I'm going to talk a little bit about our  
24 Go-to-Market Strategy. This is all about what Brad was  
25 talking about I mean our success will be defined by

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1 customer adoption. So what's our approach to that? And  
2 I'm up here talking about it, but this is really for  
3 all of us to own and carry the water on. So this is  
4 the -- well for many of you in the room actually you  
5 kind of were co-authors of this, but don't worry, this  
6 isn't the first time you'll hear about it. We'll keep  
7 repeating it into the next year.

8 Let's start with context and goals for our go  
9 to market. Brad put this slide up on the screen  
10 earlier. We are building a network business meaning  
11 that our moat, what will make our business big and  
12 defensible, is volume. And we are in a unique position  
13 as a payment network in that we have this awesome,  
14 magical digital asset, XRP that allows for cross-border  
15 payments to be better than they ever have been before.  
16 So if we're thinking of like what's our north star when  
17 we're thinking about go to market, it's toward these  
18 two ends: building network volume and XRP usage.

19 2017, what did we learn? We had a lot of  
20 successes to be really proud of. Brad was talking  
21 about I mean, the faucet turned on. That was a  
22 tremendous moment in time for Ripple. And our approach  
23 to date has really been focus on the connections, get  
24 the, you know, sign production contracts, get the  
25 commitment from banks primarily to go into production

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1 with our products. But what we found is that not all  
2 production contracts or even production deployments  
3 result in volume. I mean, we have five customers now  
4 who are live on the network producing recurring volume.  
5 And that's absolutely tremendous. We have about a  
6 dozen contracts that they're signed, they're sealed,  
7 they're delivered. But for a variety of reasons dating  
8 all the way back to 2015, they're not live yet. And  
9 part of that has to do with, you know, [REDACTED] and [REDACTED]  
10 and team talk about matchmaking, the art of bringing  
11 customers together so that they can stand up a  
12 corridor. And what we want to do is be reflective of  
13 how can we make that process easier up front, so that  
14 for marketing, for sales, for customer success, it  
15 becomes a process of chopping wood. And we don't have  
16 to customize these matches every time. And thinking of  
17 those five examples of what's worked well, it's kind of  
18 this Goldie Locks combination of the right customer,  
19 the right use case and the right GEO. And what makes



20 the right customer? Its various aspects of the profile  
21 of that financial institution: their size, their  
22 culture, the executive sponsor, their appetite for risk  
23 and just how motivated they are to move fast with us.  
24 The last point here of what we've learned is I mean,  
25 today we've really been, you know, software solution

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1 for banks. This year was very pivotal in that we've  
2 expanded the eco-system where we have a suite of  
3 products and we're serving more than just banks. We're  
4 serving other types of financial institutions.

5 So applying that to our 2018 go to market,  
6 this is kind of like the three-point high-level plan of  
7 how we approach this. The north star now being how do  
8 we accelerate volume. The faucet's turned on. Now how  
9 do we make it move faster, flow more? And also to  
10 drive more XRP's beyond (inaudible). So the three  
11 points to the approach; first we looked at use cases.  
12 And we'll talk a little bit about the process in just a  
13 second but I mean the three primary lenses or criteria  
14 through which we judge use cases were one: the market  
15 opportunity, the size of the opportunity, how fast it's  
16 growing, the customer's appetite for taking on new  
17 technology and modernization. The second being the  
18 value proposition across the product suite. So this  
19 was a really important criteria. We were looking at  
20 for which use cases does the convergence of xCurrent,  
21 xRapid and xVia allow for a customer experience that's  
22 a step function better than whatever exists today. And  
23 then the third piece being feasibility of 2018 volume  
24 and ambitiously even looking at the feasibility of 2018  
25 volume through XRP.

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1 Point two, we then -- so it's kind of like  
2 this cross section. You bring together the use cases  
3 and then you also have to look at geo focus. So in  
4 what key countries is there a sizable market  
5 opportunity for the use cases we prioritized? Where do  
6 we already have the wind behind our sails through the  
7 accounts that we've already signed? And what countries  
8 do we at least have initial indication that, you know,  
9 the regulatory climate is favorable toward digital  
10 assets? And from there, we take the mix or take the  
11 combo of the use cases and the geos to develop target  
12 account lists which provide marketing and sales with  
13 our hit list of who we want to go after.

14 So I'll take you just briefly through the  
15 sausage making which is going to look -- oh once we get  
16 -- we'll get into eye charts in a minute. But so the  
17 process was product marketing led this initiative, but



18 it was really very cross functional. We had a steering  
19 committee of leaders from across the go to market  
20 organization. And we partnered with McKinsey which  
21 hopefully you've heard of them. They're a large and  
22 very prestigious management consulting firm. But they  
23 have a really strong expertise in payments so what was  
24 really cool was we were able to draw on their internal  
25 experts. They conducted more than 70 in the field,

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1 surveys and interviews with their networks, drew on  
2 their database from, you know, tens of thousands of  
3 different banks and other payment companies. So just  
4 rest assured that the data set and the inputs and we  
5 started with our own knowledge, but also we went out  
6 into the market and we got a lot of outside  
7 perspective.

8 And so you don't have to read these, but this  
9 is just to kind of show you that the process was very  
10 exhaustive. We started with a view of every single  
11 use case within cross-border payments and we just kept  
12 pairing it down based on those three key criteria I  
13 talked about. And then we also looked at all  
14 geographies for cross-border payments and matched, you  
15 know, based on the use cases we're prioritizing, what's  
16 the size of the opportunity, regulatory climate, etc.

17 So where did we land? Before I get into the  
18 punch line, I'll just talk about like the three things  
19 that kind of tied the use cases together. First being  
20 the what. They're primarily focused or driven by  
21 low-value payments. Our technology and our products  
22 absolutely work for high-value payments. The finding  
23 mainly was that with low-value payments, there's acute  
24 pain today that we can solve particularly with  
25 processing low-value payments on demand. And also this

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1 is where there's opportunity for xRapid in the near  
2 term because you know for high-value payments you need  
3 much deeper liquidity for XRP to have a use case.

4 The second of who. The theme here is you'll  
5 see they are fast growing and underserved customers.  
6 These are customer segments that either are too small  
7 for banks to dedicate a lot of focus and resource to or  
8 they're too technologically sophisticated for banks to  
9 serve well. A customer like Uber, Amazon, expects --  
10 their expectations for APIs is much different than what  
11 Citibank can offer them.

12 And then lastly, where. In emerging markets  
13 and, you know, if you think of low-value payments with  
14 underserved customers, in emerging markets they're  
15 using, they're kind of leap-frogging credit card



16 networks and they're using mobile wallets. And so the  
17 landscape as it becomes more fragmented, there's an  
18 opportunity for a player like us to bring it together.

19 So these are the four use cases: remittance,  
20 SME supplier payments, market places and e-commerce.  
21 And we'll go through each of them more in a minute. I  
22 will call out the -- we're going to talk about the use  
23 cases from the end-user perspectives that we can get  
24 closer to what is the problem that our customers  
25 actually want to solve at the end of the day. But our

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1 customers remain the financial institutions be it banks  
2 or non-banks. So I'm not suggesting we're going to  
3 launch a consumer (inaudible) service.

4 The priority Geos, so they're, you know,  
5 there's certain geographies we have to continue to work  
6 on. They take a long time to get up and running. And  
7 they're very important to any kind of global network  
8 like the U.S. and Europe. But in terms of looking at  
9 you know where do we apply the successive harmony in  
10 India to new territory, we're looking at Mexico,  
11 Brazil, China and South Korea as the new geographies  
12 that we'll focus on next year.

13 Oh, the other key point here is there isn't a  
14 specific split between origination and beneficiary  
15 markets here. In most cases, the countries can be  
16 both. And we should also think about you know for a  
17 country like India even if it's not a territory that's  
18 highlighted here, but where do they primarily connect  
19 to? So for example, we've already focused a lot on the  
20 Middle East and UAE and that remains a good use of our  
21 time.

22 So briefly talking through the four use  
23 cases, we'll start with retail remittance to emerging  
24 countries. The key problem here is for payment  
25 providers like CUALLIX that it's prefunding. They

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1 don't want to have tie up working capital in Nostro  
2 accounts. The opportunity for this use case for us is  
3 we rated it moderately attractive. It's, you know, 50  
4 to 80 billion in flows which I mean, for us that would  
5 be great to achieve. But I think the point being is  
6 when you look at, you know, \$27 trillion in  
7 cross-border flows, it's relatively small. But you  
8 know the value prop hits in our sweet spot. They're  
9 interested in being able -- their customers, if you  
10 think, are primarily blue-collar workers sending a  
11 couple hundred dollars at a time. So they're cost  
12 sensitive. They would love for the payments to get  
13 there in real time or be able to send it on an



14 on-demand basis. And often they're sending it into not  
15 just bank accounts, but to mobile wallets. This is one  
16 that we have been working on quite a bit. When Brad  
17 was showing the deals that we've signed for xVia and  
18 xRapid, a lot of them have to do with this use case.  
19 So we already have a running head start.

20 So to walk you through an example, let's take  
21 Felicia here, who lives in Texas and she sends \$200  
22 home every week to her family in Mexico. So she  
23 deposits cash online with CUALLIX. CUALLIX initiates  
24 payment to Banamex, Mexican bank account through  
25 xRapid. xRapid provides the liquidity function. And

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1 then Banamex uses xCurrent as does Proso which is the  
2 mobile wallet that her family uses. And so the payout  
3 is seamless end to end.

4 And so this is a really exciting opportunity  
5 for a customer like CUALLIX to work with us because  
6 they can offer these low-cost on-demand remittances  
7 with payouts to local mobile wallets.

8 The second use case SME is paying suppliers.  
9 These guys are -- they can even be -- when we're  
10 talking about medium-sized enterprises, they can be  
11 pretty big. It's just they're not big enough for the  
12 big banks to really care about you know customizing and  
13 making their services better. So they're primarily  
14 relying on the correspondent banking system which has  
15 all the problems that we talk about. This is a pretty  
16 big opportunity and they're leaning into modernization  
17 and digitization. So it's a good time for us to focus  
18 on it. For the value prop, if you think of the end  
19 user, the SME they care about cash flow. And so being  
20 able to simplify the value chain and have access to  
21 cash faster is a really big deal to their business.  
22 And for the payment providers serving them, they have a  
23 high risk appetite because they're seeking  
24 differentiation.

25 So I wondered what this picture was, too,

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1 when I first saw it. It's a Kimchee factory. So let's  
2 say our use case is BiRite distributors in the U.S. is  
3 using A/P software like Kyriba to pay a Kimchee  
4 supplier in South Korea. So BiRite initiates the  
5 payment through their A/P software, Kyriba. Kyriba is  
6 connected to a customer like TransferWise who's  
7 connected to xRapid. By the way these flows are  
8 modular and flexible. This is just one example of how  
9 those could work. And then TransferWise deposits the  
10 money into this Kimchee suppliers account at Hana Bank.  
11 And what's really exciting for the A/P software

12 provider, the payment provider is that SMEs are a fast  
13 growing segment. And so this -- I think they're 25% of  
14 B-to-B flows and they're growing from there. So this  
15 is a really big opportunity for them.

16 Use case three - market places which we have  
17 -- we've talked about a lot in the past. So this is a  
18 big platform business like Uber, Air BNB having to  
19 either invest in these expensive and complex tailored  
20 connections to every payment system through which they  
21 have pay their drivers or hosts or whomever or having  
22 to use wires if they don't have a direct connection.  
23 This is a hugely attractive market opportunity. By the  
24 way this is the one that McKinsey, like when they were  
25 ranking them, they were like this is the one you should

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1 like put all your money on this one. They are large  
2 and growing. They obviously are very tech. They're  
3 the most tech-forward and if you look at customers.  
4 And we can solve their problems. Where they need  
5 simplified connections, they need reached all the way  
6 out to the beneficiaries' account even if it's a  
7 non-bank. And they want to be able to process payments  
8 on demand. We've been working on it a lot throughout  
9 the past year so we have a good pipeline here so  
10 feasibility is high.

11 So here we have Rodrigo in Brazil, a driver  
12 who Uber wants to pay. It goes from Uber's account in  
13 the U.S. Wells to Itau, a Brazilian bank account. And  
14 then Itau pays out to the mobile wallet. So what's  
15 game-changing for the market place is that they can pay  
16 their contractors on an on-demand basis. We know that  
17 from talking to them that this actually -- this helps  
18 them grow their business because they can retain more  
19 of these contractors.

20 And then the fourth example here is  
21 e-commerce that's not well served by Visa and  
22 MasterCard. So think of domestic credit card rails  
23 like Union Pay or Mobile Wallets is a really big one  
24 like Alipay and Paytm. High growth. Their problem is  
25 they just don't have access to cross-border e-commerce

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1 which is huge and growing. I think it's growing 20%  
2 year over year. And in terms of feasibility, again  
3 this is something where there's good synergy between  
4 all these use cases, so we're trying mobile wallets for  
5 some of the others and so we already kind of have a  
6 pipeline to work from.

7 The example here is an Indian professional  
8 wants to buy shoes on Gilt which using Paytm he can't  
9 right now. He would have to use Visa or the MasterCard



10 rails. So Paytm is able to connect to Gilt's U.S. bank  
11 through Axis and then Axis connects to BAML. Gilt  
12 receives notification of the payment. So this is again  
13 creating new access for these mobile wallet to grow  
14 their business.

15 So these are the four, went through kind of  
16 fast. What does it mean? The point here is -- I won't  
17 go through every single bullet point. The point here  
18 is that I said up front that we all are going to own  
19 this and carry the water on it into next year and so we  
20 do need to all kind of think through the implications  
21 of having a more focused go to market and focusing on  
22 these use cases and these geos in our day-to-day work.  
23 And on the leadership team, we're putting a lot of  
24 thought and energy into that. Brad mentioned, I'll  
25 call out the top line one about aligning the company on

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1 the strategy. If we're all pointed towards software  
2 and services bookings, that's going to make us all  
3 focus on you know get the biggest, highest-value  
4 contracts we can and focus on those where the key  
5 learning there was that doesn't always yield the  
6 volume. So rather you'll see, Ron's going to talk  
7 about what our topline company metrics look like.  
8 We're going to see more of a focus on generating  
9 volume. And focusing on getting these target accounts  
10 signed and then up and running.

11 [REDACTED] is leading a whole effort  
12 around incentivizing our highly effective sales people  
13 to focus on these target accounts and organizing them  
14 in such a way that we'll go after both the banks and  
15 the non-banks.

16 In summary, point one focusing on  
17 accelerating volume and XRP usage. Point two, we're  
18 getting smarter. And point three, we're getting more  
19 focused if I were to quickly summarize. And that's it  
20 for me.

21 So next, [REDACTED] is going to talk about our  
22 technical vision, right, going into 2018.

23 [REDACTED] Thank you. So before I dive right  
24 into it, maybe this time more than ever before, this is  
25 my fifth yearly all-hands and maybe this time more than

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1 ever I've been just overwhelmed with the number of  
2 people and the quality of people in the room. So you  
3 know I just wanted to say that before I dove right in.  
4 And especially so many people that you don't usually  
5 see around, people that work remotely and maybe halfway  
6 across the globe, but they took the time to come out  
7 here. So give a hand for the remote employees.



8 So Monica was talking about a lot of really  
9 interesting opportunities that we could be going after  
10 and I'm going to talk about or start to talk about a  
11 little bit of small detail, the execution. So first of  
12 all, oh this got switched around a bit. And we're  
13 done. I think I need to refresh it. Okay. Yeah,  
14 we're good to go.

15 See, I don't do those two-hour old slides.  
16 Okay. Here we go. So if you looked at what Ripple  
17 looked like in 2017, you might have drawn something  
18 like this. So most of our deployments right now are  
19 these bilateral xCurrent deployments. And so when we  
20 were thinking about protocols and how our different  
21 software talks to each other, we're really just talking  
22 about a pretty small part of the overall payments  
23 picture. And that was a great insertion point. That  
24 was a great place to start and it got us this far, but  
25 I think as we go into next year, we really want to

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1 think about how do we bring these different products  
2 together and there's a lot more pieces that have to  
3 talk to each other. So, if I were to draw a picture  
4 for next year, it would something more like this where  
5 you have xVia deployed at the sender, the sending  
6 corporate or the sending payment provider and then you  
7 have xCurrent and maybe there's even xRapid involved in  
8 the flow. So there's a lot of moving pieces that have  
9 to kind of fit together.

10 And a lot of times when we talk about the  
11 internal value, we start every presentation with that.  
12 Thank you, Brad. And you know we always like try to  
13 connect what we're doing with this future state. And  
14 find that like this picture looks more like the  
15 internet of value than anything we've ever drawn at any  
16 of the previous all-hands. This is how I would draw  
17 the internet of value, right? So the only difference  
18 really is that we're using some open protocols in some  
19 of these middle places, but other than that our  
20 products are actually starting to look a lot like, you  
21 know, what we want our vision to be so that's really  
22 good.

23 Now, obviously the devil's in the details so  
24 there are a lot of little things that we have to get  
25 right. And I'm excited to you know work with the

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1 product team and the engineering team, research team  
2 this year to kind of figure out how some of these open  
3 standards are applicable, how they can help us make our  
4 products work better together. With the legal team,  
5 how do some of these rules have to change and how do



6 the rules have to look to build towards that vision.  
7 So I think it's really the year where these things are  
8 starting to come together.

9 But of course on the research team, we're  
10 always like trying to work a little bit ahead and  
11 trying to predict some of problems so I wanted to share  
12 a few learnings from that. So back in June we did a  
13 demo where we actually tied together seven different  
14 ledgers. They weren't just different block chains or  
15 just different banks, they were actually very different  
16 kinds of ledgers. They were you know centralized  
17 ledger, a private blockchain, a public blockchain, a  
18 blockchain that supports escrow, a payment channel  
19 integration. And so these were very different kinds of  
20 integration. And at that time we sort of had this  
21 mindset of, you know, the more we can integrate, the  
22 better. But as we were running the demo, we started to  
23 realize that the ledgers have significant differences.  
24 You know, ledgers aren't all the same. In this  
25 particular case, the slowest ledger was Ethereum. And

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1 so we would always like stand, look at the demo and  
2 wait for Ethereum to confirm the transaction.

3 And so we started to change our mind about,  
4 you know, how do we think about integrating different  
5 systems together. I think in 2017 it's always like how  
6 do we connect the world's ledgers and that started to  
7 change into how do we provide a consistent experience  
8 across all these ledgers? It's no good if we have  
9 everything in the world connected, but depending on  
10 what path you take, suddenly your payment takes an  
11 hour. Suddenly it takes, you know, sometimes it takes  
12 five minutes. Sometimes it takes a day. That's  
13 actually very difficult to build experiences on top of.  
14 So how do we get more of a consistent experience end to  
15 end?

16 And so we kind of took a step back and said,  
17 you know, Monica was talking about that step function  
18 improvement in the customer experience. And so like  
19 what does that look like? In the internet of value how  
20 does my life as a user actually change? Is it just  
21 that I get a little bit more information about my  
22 payment? Is it just that you know maybe it takes one  
23 day instead of three days or is there sort of a, you  
24 know, a huge difference in the experience that we can  
25 generate, you know, long term?

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1 And so one of the examples that we built, we  
2 felt was something that is really impossible to do  
3 today is what we call API Micropayments. So for those



4 who are technical, an API is essentially like a way to  
5 talk to another computer that's run by someone else.  
6 And you know normally when we talk to other people's  
7 computers, we have to already have some sort of  
8 business relationship, you know, created beforehand to  
9 pay. So usually it would be some kind of subscription  
10 so we pay \$10 a month or maybe there's a pay-as-you-go  
11 where they charge by credit card afterwards. But  
12 there's a lot of sign up and a lot of friction around  
13 that so I can't just out of the blue talk to some API  
14 and expect it to do something for me. There's no way  
15 to pay for that. But with some of the protocols that  
16 we've been developing in ILP, we can actually do that.  
17 And so we've been able to build some demos where with a  
18 few lines of code, you can turn some API that you wrote  
19 literally could have been a hobby project, a five-hour  
20 project, and you can turn it into a business. You  
21 don't have to worry about what's my business model and  
22 how do people sign up and how do they cancel a  
23 subscription, how do they manage all that stuff. You  
24 can really just build it in.

25 And so to us that represents sort of the

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1 first little glimpse of what a future world could look  
2 like where it's today if I'm a startup in Silicon  
3 Valley and I want to build some really cool product, I  
4 kind of have to figure out the product, but then I also  
5 have to figure out the business model. And that can be  
6 just as hard because I have to come up with some, you  
7 know, advertising scheme or maybe some free-to-play you  
8 know trick you into, you know, paying for different  
9 things. And I think that that's sort of an artifact of  
10 the fact that there isn't very efficient payments  
11 infrastructure that it's just built into the protocols  
12 that we use. And I think that that's the thing that  
13 we're trying to change.

14 Another example that's maybe a little bit  
15 more relatable because it's a little bit closer to the  
16 experience that we would have today is this is a demo  
17 that we built through the W3C. And this is essentially  
18 showing how the W3C web payment standards that are  
19 being developed in conjunction with Google and Apple,  
20 Microsoft and so on, how they actually play together  
21 with ILP. And if you combine those two technologies,  
22 something very interesting happens.

23 So these standards are really good at  
24 automatically negotiating the payment instruments. So  
25 normally when you go pay today, you have to kind of

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1 find the right logo and click on it, right. Like you



2 have to find the Visa logo or credit cards or the  
3 PayPal logo or the Amazon Pay logo or the Alipay logo  
4 or any number of hundreds of logos. And so what this  
5 browser technology does is it actually knows which  
6 payment methods you have and it automatically selects  
7 the right one.

8 Now, if you put ILP behind that, you can  
9 actually make a payment just like you would with a  
10 credit card, but the merchant doesn't have to be on the  
11 same network as you are, right? So the merchant could  
12 be a Visa merchant and you could be a PayPal user and  
13 as long as both of those are ILP-enabled, the payment  
14 still goes through. And that's really a very different  
15 experience and you know for me personally, we did the  
16 Mojaloop project and through that project, I learned  
17 that the payment experience gets progressively worse  
18 the poorer the country is that you live in. And so  
19 going to Tanzania, like if you look at the website from  
20 a Tanzanian's perspective, it accepts PayPal and it  
21 accepts you know, maybe Alipay and a few other sort of  
22 western payment methods or you know rich country  
23 payment methods. You're not included in that. You  
24 can't use that. And so it looks very different. The  
25 internet looks very different from your perspective.

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1 And so one of my hopes is that, you know, through the  
2 work that we do here, we can actually start to break  
3 down some of these walls and reduce the friction in  
4 payments.

5 So going back to this picture, I think what I  
6 want you to do, both through the rest of this  
7 presentation as Asheesh and [REDACTED] come up here and  
8 break it down more, think about how some of these open  
9 protocols can apply here. How do we force ourselves to  
10 create interoperability between our own products? You  
11 know, I always joke, you know, with our team how banks  
12 can have different systems internal to their bank that  
13 aren't interoperable with each other. And here we are,  
14 we have several products and we're trying to figure out  
15 how to make them interoperable. So let's show the  
16 world how to do it right, how to do it in an  
17 interoperable way in a way that brings us closer to the  
18 internet of value. And I think with that I'm handing  
19 over to Asheesh.

20 MR. BIRLA: All right, I'll try to be quick.  
21 So, a couple of things -- I think it's really important  
22 to continue to push the envelope forward. So what  
23 [REDACTED] was demonstrating is that, hey these are things  
24 that we want to fold into our product strategy and keep  
25 moving the ball forward so can't get complacent. This



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1 is a fast-moving world. You look at Task Rabbit which  
2 was the hottest company four years ago and now they got  
3 sort of surpassed by a number of others. I mean, we  
4 gotta keep pushing the envelope forward.

5 The second thing that we'll be talking about  
6 that Monica was talking about was convergence. And,  
7 you know, I think even just this morning I got an email  
8 from Welly, he wanted to know what I was wearing. But  
9 then I got a second email from him which was about a  
10 customer that we were selling xCurrent to that now  
11 actually wants to use xRapid and XRP liquidity. That  
12 wasn't a conversation happening four months ago, but  
13 that conversation's happening again and again today.  
14 And so I timed this back to Monica's slides. What I'm  
15 trying to show here is that these are one product that  
16 we're selling to each one of these use cases. There's  
17 a lot of convergence. And so you know the retail  
18 remittance using xRapid, XRP liquidity in conjunction  
19 with xVia, SME's you know using all three products in  
20 conjunction to make that use case work. My e-commerce  
21 bro over there on the right, again, one of my favorite  
22 use cases, you know, two products working together and  
23 I think that's really important. And then the bottom  
24 piece, we need to deepen our reach into the emerging  
25 markets. And you can't have that conversation without

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1 folding in mobile, a mobile strategy. And we're seeing  
2 that use case happen again and again. So are we done?  
3 We just start shipping this stuff? No. I'll just go  
4 through a few of these.

5 There are product gaps that we have to close  
6 to realize a good user experience for these use cases.  
7 And the first one being the retail remittance use case  
8 with xRapid, you know, today it is a very nascent  
9 infrastructure that we have to you know build xRapid on  
10 top of, exchanges -- almost every exchange went out,  
11 you know, three days ago. You know what? These  
12 customers -- that's not acceptable to them. They have  
13 businesses to run. They can't -- and we have to figure  
14 out workarounds. And so these are the four dimensions  
15 that xRapid is working on to make this a good user  
16 experience. And a lot of this is just workarounds for  
17 the nascency of the infrastructure, the digital asset  
18 infrastructure that exists today. So big focus for the  
19 product and engineering team, you know, in 2018 is to  
20 close this gap.

21 The second one is marketplaces. Again, a lot  
22 of interest from these customers in Ripple, but again,  
23 we have product gaps. By the way, I did not use Uber.



24 That was not me. I prefer Lyft now. That was Monica.  
25 I was banned from using Uber in any presentation so I'm  
0053

1 going to throw you under the bus. But again this  
2 requires reach. This requires mobile. We have a gap  
3 in the product that we're working really hard on  
4 closing that is, you know, we need multi-hop to make  
5 this work. As you can see, the payment needs to  
6 originate at Wells, but then terminate in a mobile  
7 wallet. That is not something that we believe our  
8 product does really well today, but we're working  
9 really hard to close that gap so we can realize this  
10 marketplace use case.

11 And I think that's it. And so I think [REDACTED]  
12 is going to bring us home on the product and  
13 engineering section. Oh wait -- three more little  
14 things. Anyways, that last piece is xRapid is really  
15 important for this use case. You know, it's not  
16 something that we're going to ship with the first  
17 version, but we're already lining up these customers  
18 and sort of you know making sure that they're also on  
19 board and ready to go with xRapid for the marketplace  
20 use case. All right, so I'm going to hand it over to  
21 Kanaan.

22 [REDACTED] So we heard a little bit about  
23 some of the use cases, the go to market strategies. I  
24 kind of wanted to touch on the product engineering side  
25 and specifically go through how we're going to organize  
0054

1 to get this done and also talk about the building  
2 blocks and the topologies it will support and how you  
3 can put together our products to make these use cases  
4 happen.

5 So the first thing is around team  
6 organization. To have things interoperate, we want to  
7 be able to share code. We want to be able to have  
8 closeness between the three sort of product engineering  
9 teams, so happy to bring [REDACTED] on board. I think some  
10 of you might have met him. This is, I think, week two,  
11 but he will be leading this effort. Yeah. Hello?  
12 Yeah. The other thing I'll point out is that this is  
13 going to be a big area for investment on hiring and  
14 bringing in engineering talent and that sort of ties  
15 into the next point.

16 All three of our products are built using the  
17 Java platform. And that is an important change for us.  
18 We did it for a couple of reasons. Our customers  
19 expect it and are used to it as far as integration  
20 points. A lot of the middleware that we see that  
21 customers write is written in Java. That makes sense.

22 They're used to administering Java-based products and  
23 it has a mature eco-system. There's libraries we can  
24 pull off the shelf. There's things that we can utilize  
25 so we don't have to sort of do things that are not our

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1 competitive advantage. And maybe the one thing not  
2 listed here is it opens up the candidate pool. It  
3 allows us to reach for more engineers that have  
4 enterprise software experience and there's a lot of  
5 those in the area here as well as New York, London. It  
6 just opens up our candidate pool which is good for us  
7 and our growth.

8 So next, I want to go product by product and  
9 explain sort of the building block and the topologies  
10 we support and maybe first by starting to describe the  
11 customer entry point. So how does a customer from a  
12 technical perspective interact with RippleNet? And the  
13 two entry points are xCurrent for a financial  
14 institution to enter RippleNet. The other would be  
15 xVia for a corporate or payment service provider to  
16 enter RippleNet. You may notice or wonder, hey where  
17 is that sweet XRP liquidity, this xRapid product? And  
18 I'll talk about where that fits later. Suffice to say  
19 these are the two customer entry points.

20 So we'll start with xVia. So a couple things  
21 to point out with xVia is it is a cloud-based offering.  
22 And this helps us and is also sort of an expectation of  
23 our customers. If you remember in a few slides back,  
24 we talked about Kyriba which is a treasury management  
25 system. That is in the cloud. So if you're talking

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1 about corporates or payment service providers, they'd  
2 much rather utilize a cloud-based offering than do an  
3 on-premise installation and have to do upgrades,  
4 maintenance, etc.

5 The other thing to mention is that with your  
6 xVia, you can pair with multiple xCurrents. So that  
7 top box, that bank can represent your bank account at  
8 Santander, but you might also have a bank account at  
9 Standard Charter, a bank account at BEX. And so for a  
10 customer, they have a single entry point with an API to  
11 be able to control their balances and instruct  
12 (inaudible) movement across all of those other  
13 accounts.

14 Additionally, you can pair xVia with xRapid  
15 and that's where you start to get into the XRP  
16 liquidity. Everything to the right is sort of the  
17 RippleNet payment.

18 So the next one to talk about is changes in  
19 xCurrent. I think a lot of people here are familiar



20 with xCurrent and how it works right now. I'll  
21 highlight some of the, you know, the main feature  
22 change that's on the tin and that is supporting atomic  
23 transactions across multiple hops. So this slide  
24 doesn't look that exciting, but if you think about the  
25 picture we saw at the beginning and all of those lines

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1 going across from country to country and zigzagging  
2 around, this is a key feature to making that work and  
3 allowing transactions to happen across multiple hops  
4 atomically. And that is really important for banks and  
5 important for our network growth.

6 The other thing it allows you to do as a  
7 building block is support topologies that our customers  
8 want and that's things like hub and spoke, things like  
9 I guess -- yeah, that was the one I wanted to point  
10 out. Maybe they can think of them, but we'll support  
11 them with this building block or arbitrary building  
12 block. Anything else?

13 And the last one I'll talk about is xRapid.  
14 So I mentioned the customer entry point, so how does a  
15 customer get to xRapid liquidity? And that's either  
16 with xCurrent or xVia. And what xRapid is doing is you  
17 are depositing funds on the exchange here, Bitstamp in  
18 this example. And you're getting a quote for USD MXN.  
19 And you say, "Oh, that's a very attractive quote.  
20 That's, you know, below a spot or right at spot and I  
21 want that delivered." And so you instruct or you  
22 accept that quote, xRapid will do the exchange of USD  
23 to XRP, send XRP to Bitstamp to BITSO, instruct the  
24 conversation of xRapid to MXN and BITSO delivers over  
25 this bay network the MXN to the destination account.

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1 And what's exciting for me about this picture is if you  
2 look at these two banks, they no longer have to have a  
3 Nostro-Vostro relationship. So for exotic quarters I  
4 could see this being really attractive and that is very  
5 exciting. I will acknowledge there's some things we  
6 need to work on to get there, some are technical, some  
7 are related to liquidity, some are related to  
8 regulation, but making this picture happen I think will  
9 be very impactful.

10 Maybe the last thing to mention is xRapid is  
11 also a hosted product. And so we now have two cloud  
12 hosted products, xRapid, xVia. And I want to take a  
13 moment to acknowledge the teams to make that happen  
14 because behind the scenes there, doing a Fintech-hosted  
15 cloud solution requires a lot of work from InfoSec and  
16 technical operations for it to be reliable, to be  
17 secure, to give us a chance at not losing customer



18 funds. And that's the stuff behind the scenes that is  
19 so much work and is something not necessarily visible  
20 to a lot of folks in the company and I want to thank  
21 them for that work. Yeah.

22 And that's it. So there you go. Those are  
23 the building blocks we put together. I think it's up  
24 to a lot of people in the room for having one, arranged  
25 that and our customers to describe the experiences they

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1 want. But I feel like those pieces will get us to  
2 RippleNet and excited to see what we make with them  
3 going forward.

4 MR. GARLINGHOUSE: Oh wait, this is Ron.

5 Give the mic to Ron, sorry. Yeah, I forgot him twice.

6 MR. WILL: Does that work? Great. Okay. So  
7 I'm going to talk about company OKRs, big group. So  
8 Brad mentioned a few things which I will start with by  
9 refuting. Let's go here. So, first question, are we  
10 going to stop charging for our software? [REDACTED]

11 [REDACTED] cold call? No, we are not. That's what he  
12 said. I heard him. We are not going to stop charging  
13 for our software. Second, don't tell anyone outside of  
14 Ripple that the CFO said that bookings don't matter.  
15 That is a big deal to me. But actually I agree that  
16 for where we are as a company, bookings actually are  
17 much less important right now than they are for other  
18 software and services companies. So we've taken a very  
19 fresh look at company targets and OKRs to reflect that  
20 fact. And you might say, why? Why does that -- why  
21 can't you just use bookings? And the reality is as  
22 we've just heard we're trying to build a network. We  
23 have network users, network members. We're trying to  
24 build up volume. We're trying to make sure that  
25 volume's robust so there's both a large number of

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1 transactions to create liquidity. There's a large  
2 dollar amount of transactions. They're using XRP.  
3 They're using a lot of different currencies: emerging  
4 markets currencies, other currencies. And so what  
5 we've tried to do in 2018 is reflect a lot of that  
6 complexity and nuance in our OKRs.

7 So I'll just walk through this quickly.  
8 We'll do it on this side. So the first is production  
9 deal signed. So obviously that's the sales team and  
10 their efforts there. We're going to have that broken  
11 down by products. The second is production deals  
12 deployed so that's obviously the customer success team  
13 that's going to be a key measure of success is actually  
14 getting things live. Third one is RippleNet  
15 transaction volume. So that is both the number of



16 transactions in dollar volume which is still going back  
17 and forth on exactly what, but they're both very  
18 important. Fourth is dollar volume of XRP through  
19 xRapid, so obviously a key metric for us in 2018. And  
20 then as far as the network, cumulative counterparty  
21 pairs, so number of currency pairs that we're are going  
22 to have live, so hopefully that will all make sense.  
23 And then finally, XRP sales which is obviously another  
24 important metric for us. So those are the OKRs for  
25 2018 and obviously the overall OKRs is about driving

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1 volume. We'll be really digging into these in the next  
2 couple of weeks. They'll be cascaded down to all the  
3 groups so we can evaluate, you know, what are the right  
4 metrics for each individual group, person. But that  
5 gives you a sense and if anyone has questions, we can  
6 handle it at the end.

7 So to give you some rough sense of numbers,  
8 we're looking to sign somewhere around let's say 75  
9 deals in 2018. That is a lot. Transaction volume, we  
10 should be thinking something like [REDACTED] dollars of  
11 transaction volume. Number of transactions, I don't  
12 know something like a million sounds about right. But  
13 you could tell, it's still a work in progress. And so  
14 like I said any questions, please raise your hand at  
15 the end. Great.

16 MR. GARLINGHOUSE: Right. I'm going to hand  
17 this over to you. We're going to double mic this.

18 SANDY: Okay.

19 MR. GARLINGHOUSE: All right, I'll kick it  
20 off. First of all, obviously great having everybody  
21 here. One of my favorite parts of this whole thing is  
22 recognizing people in this room. As I said before, I  
23 think it's my unique privilege to get to, you know, get  
24 out there and talk about what we're doing but it's  
25 because of people in this room. This is a chance for

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1 us to step back and really recognize people who are  
2 living and demonstrating and should be role models for  
3 our values. We probably don't spend as much time as I  
4 would like talking about our values, but we're going to  
5 through them real quickly and recognize some people who  
6 are well deserving.

7 [REDACTED] We're going to start with Live It and  
8 I'll have [REDACTED] come up to share the first award.  
9 Here is Live It.

10 MR. GARLINGHOUSE: As [REDACTED] is on his way  
11 up, to me a word that I think a lot of our values in  
12 Live It is this word passion. I would rather hire  
13 somebody who's super passionate, but without a ton of



14 experience, than hire somebody who has a ton of  
15 experience and is just low on that passion scale, but  
16 we want people coming here who actually are living it  
17 and we have great people to recognize for that.

18 [REDACTED] Let me tell you about someone  
19 that is both passionate and experienced. This person  
20 gets the Live It LEGGO award and has done tireless work  
21 on educating our customers, getting them integrated,  
22 getting them going live, testing our new releases. He  
23 can at times be interesting in the way that he  
24 describes things, but I think his heart is always in  
25 the right place and his excitement and passion for

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1 Ripple is really unparalleled.

2 I'll read a little blurb that someone wrote  
3 in with his nomination saying, he's not flashy, but  
4 calm and very strong technically. He sorts out  
5 roadblocks all the time in critical production  
6 environments, the latest being Santander and Santander  
7 Charter. We simply don't have enough people like him.  
8 So for the Live It, I wanted to present that to an  
9 Ozzie named [REDACTED] (Applause.)

10 [REDACTED] We have another Live It. So for all  
11 of these awards, we have two recipients because we have  
12 so many great people here, that we couldn't narrow it  
13 done to one for each value. So for the second Live It,  
14 I'd love to bring [REDACTED] up.

15 [REDACTED] Thank you. Hi, everyone. I am  
16 delighted to award our second Live It LEGGO award to an  
17 individual who truly rocks it every single day. She  
18 approaches every moment with positivity, passion and  
19 spirit. She loves the thrill of what we're doing at  
20 Ripple and really thrives in the chaos. You will never  
21 hear her say, "This is not my job."

22 MR. GARLINGHOUSE: What chaos? What are you  
23 talking about?

24 [REDACTED] So much chaos. You'll never hear her  
25 say, "I don't have bandwidth," but you will hear her

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1 contagious laugh pretty much from far distances.  
2 Everyone knows -- everyone who works with her is  
3 completely inspired by her and has a lot of fun. She's  
4 the woman behind many strategic bets for Ripple  
5 including well, the Central Bank Forum, Brad's recent  
6 Kora session and many other things. A huge congrats to  
7 [REDACTED] come on up. Thank you, [REDACTED]  
8 (Applause.)

9 [REDACTED] For those of you who receive awards,  
10 we will be handing them out on Thursday. So Enjoy It.  
11 Do you want to say a couple of words about Enjoy It?



12 MR. GARLINGHOUSE: So, Enjoy It, you know,  
 13 one of the reasons why we chose this as one of our core  
 14 values is you know early on 18 months ago, people felt  
 15 like wow the stress of uncertainty, like there's not a  
 16 roadmap we're executing. And Ripple is like no other  
 17 company I've ever seen. And we have to kind of embrace  
 18 the journey and enjoy the experience. And frankly, you  
 19 know, enjoy each other. We certainly try to subscribe  
 20 to the no assholes rule and I think we've done a great  
 21 job on that, but we want to continue to enjoy the  
 22 journey and I will turn it over to you, Sandy.

23 [REDACTED] And [REDACTED] will come up to help share  
 24 the first Enjoy It.

25 [REDACTED] All right. I'm here to present the

0065

1 Enjoy It Award to a gentleman who is not really going  
 2 to enjoy a lot of public recognition. But it's great  
 3 for me to be here presenting this today in front of  
 4 everybody. This is a lot of hard work. You guys have  
 5 seen that we're about a 194 employees. You have not  
 6 seen that that is about 30 accepted offers this quarter  
 7 which is over 100 on-site interviews which gave us  
 8 about a three to one onsite to hire ratio. That was  
 9 over 1,000 phone interviews to get to those points.  
 10 And the reason I have all this handy data isn't because  
 11 I looked it up, it's because of [REDACTED] Now, [REDACTED]  
 12 is getting the Enjoy It Award. Unlike the rest of the  
 13 recruiting team, you can find [REDACTED] at his desk quietly  
 14 working hard. You guys do not know about all of the  
 15 cancellations, phone interviews. You don't know about  
 16 the dog that ate somebody's car fop because [REDACTED] sits  
 17 at his desk and gets through it and gets interviews  
 18 moving seamlessly, so thank you very much, [REDACTED]  
 19 (Applause.)

20 [REDACTED] Asheesh.

21 MR. BIRLA: All right, for this position I  
 22 was given a ton of shit because this position was open  
 23 for 180 days. I won't name names, but that's because I  
 24 was looking for the perfect employee, someone that can  
 25 execute, someone that's a strategic thinker, someone

0066

1 that's Canadian. [REDACTED] (Applause.)

2 [REDACTED] All right, let's Get it Done.

3 MR. GARLINGHOUSE: Yeah, Get It Done. Yeah,  
 4 for me this is about just recognize it's all about  
 5 execution. One of the things the leadership team likes  
 6 to make fun of me for -- it's a long list, but one of  
 7 the things they like to make fun of me for is to not  
 8 confuse activity with progress, activity -- progress is  
 9 actually putting points on the board. People who are



10 Get It Done are about progress and I'll turn it over to  
11 [REDACTED]. Come on up.

12 [REDACTED]: Thank you, [REDACTED]. So you  
13 know of course we always want to hire the best people  
14 here at Ripple. However, when this person joined us  
15 about a year and a half ago, I don't think we could  
16 have possibly imagined the contribution he's made to  
17 the technical operations team since that time. In the  
18 past year the tech ops team has delivered on about 75  
19 different projects and initiatives. And in some part,  
20 either small or large, this person has contributed to  
21 almost every single one of those in the past year. His  
22 impact has been felt across the entirety of the tech  
23 ops IT and engineering departments. And in fact, for  
24 those of you who don't obsessively check the price of  
25 XRP like the ops team does during the meeting, we've

0067

1 been up a lot just in the past hour or two. And this  
2 has driven a tremendous amount of traffic to XRP charts  
3 and a lot of our web properties. And we've been busy  
4 in the back of the room responding to that. And in  
5 fact, that's exactly what [REDACTED] has been doing for  
6 the past then our while you've been meeting.

7 So I'd like to say that [REDACTED] gets it  
8 done. [REDACTED] gets it done. (Applause.)

9 [REDACTED] Nice. Thank you. Took too long.

10 MALE VOICE: So this award goes to someone in  
11 the product marketing team. Instead of saying -- I  
12 have enough good things to say about him, but instead  
13 of saying it myself, I'm going to read a quote from  
14 someone from the sales team who's worked with this  
15 individual. "I've had the pleasure of working with [REDACTED]  
16 for a while now and he's been an invaluable resource  
17 when it comes to developing and pitching relevant  
18 marketing collateral. He has extensive industry  
19 experience in banking, a deep understanding of the pain  
20 points and challenges bank currently face and is able  
21 to communicate all things Ripple in a very clear,  
22 eloquent and meaningful way. He's a great listener and  
23 is open to incorporating new feedback into collateral  
24 material to make it even more impactful for sales  
25 prospects and clients. He has been an instrumental

0068

1 part of the ever growing product marketing power house  
2 and has worked hard to develop a great deal of material  
3 and collateral that helps the sales team perform more  
4 effectively. No matter how big the task or how soon  
5 the deadline, [REDACTED] always seems to find a way to not  
6 only get it done, but also do so with strong attention  
7 to quality and detail. I believe [REDACTED] epitomizes the



8 get it done attitude and is deserving of this award."

9 Well said. (Applause.)

10 [REDACTED] Go for it.

11 MR. GARLINGHOUSE: So, Go For It. You know,  
12 I do think we have a massive mission. We talk about  
13 the internet of value. It's kind of crazy when you  
14 really think about what we're trying to do. Don't  
15 think about it too long, but I want to make sure we  
16 keep taking risks. You know, part of our job is not to  
17 take dumb risks, but we need to keep taking risk. And  
18 part of going for it is really thinking big and going  
19 big and we've got a bunch of people doing that so back  
20 to [REDACTED] (inaudible).

21 [REDACTED] Right. This is a fun one. Go For It.  
22 This person has been on the recruiting team for over  
23 two years now. Not currently in her same capacity as  
24 we hired her in. We hired [REDACTED] We hired  
25 [REDACTED] over two years ago as a recruiting coordinator.

0069

1 She has had the mission to go forward as a recruiter  
2 and has stepped up this quarter to hire how many  
3 people?

4 [REDACTED] On my way to nine.

5 [REDACTED] Which is her recruiting goal and has  
6 earned her a home cooked dinner from me which was our  
7 bet.

8 [REDACTED] I already made my goal, thank  
9 you.

10 [REDACTED] Go For It. (Applause.)

11 [REDACTED] And including interns it's actually  
12 11 so she's leading the charge. All right.

13 MR. GARLINGHOUSE: Where's Miguel?

14 MR. VIAS: Hey guys. So you know, xRapid,  
15 talking about Go For It, at the beginning of the year  
16 was just a gleam in our eye. And it was a project  
17 which we all were incredibly excited about, but  
18 certainly was risky especially when we thought about  
19 folks like Western Union and MoneyGram possibly using  
20 it given its newness. And we've come a long way with  
21 that product and that adoption and we would not have  
22 been able to do that without Vijay Chetty. (Applause.)

23 [REDACTED] All right, we're going to bring it  
24 home with Own It.

25 MR. GARLINGHOUSE: So Own It to me is you

0070

1 know this idea that you know our customers don't always  
2 sleep when we want them to be asleep and it's really  
3 owning, it's you know, start to finish. The idea  
4 there's no such thing as someone else's problem. I'll  
5 leave it at that, but we've got two great people to

6 recognize here.

7 [REDACTED] So we should have [REDACTED] on the phone  
8 hopefully.

9 MR. GARLINGHOUSE: Do we have [REDACTED] on the  
10 phone?

11 [REDACTED] Yes, can you hear me?

12 MR. GARLINGHOUSE: Oh there he is. Boom.

13 [REDACTED] Go for it.

14 [REDACTED] Hey, I exist, okay. Well, this  
15 gentleman did a tremendous job. Joined the company in  
16 March this year and really had settled in as someone  
17 that gets things done, is highly regarded by both  
18 customers and all people within Ripple. I've got a  
19 great quote here I just want to call out.

20 "We've seen this chap grow spectacularly  
21 since he joined. He is now a key resource for all  
22 projects and he's good at almost everything. He's very  
23 well organized, great knowledge, knows how to deal with  
24 clients and do so in a very professional manner. He's  
25 good and he goes beyond the (inaudible) role and does

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1 much more than what is expected. The clients love him  
2 and his opinion is very well respected by all." So  
3 this is a tremendous achievement and the Own It Award  
4 from me goes to [REDACTED] well done. (Applause.)

5 [REDACTED] All right. I'll ask [REDACTED] to come  
6 up, bring us home.

7 [REDACTED] You know, two people from  
8 customer success with really new pictures. So this  
9 person is calm, dedicated. He's been here longer than  
10 I have. And he really brings -- in a world of customer  
11 success where things are flying around, he is quietly  
12 excited about where Ripple is going and he shows it to  
13 his customers, he shows it to where it's going. He is  
14 [REDACTED] teammate, [REDACTED] (Applause.)

15 MR. GARLINGHOUSE: All right. We are almost  
16 home. We have a concluding awesomeness of a video.  
17 Before we kick off the video, a reminder that we have  
18 the soccer match this afternoon. I'm not going to tell  
19 you which sides to pick. What time does the bus leave?  
20 3:15 in the lobby. I'm channeling -- anyway that'll be  
21 good fun. Also, as a reminder, the holiday party is  
22 tomorrow night. I Tweeted something out yesterday. If  
23 you didn't see it, it said "No one got promoted for  
24 behavior at the holiday party." Just remember that.  
25 Have fun tomorrow night. Just remember that. That's

0072

1 all I'll say about that.

2 Last, but not least, I want to thank three  
3 people for this video you're going to see. One is



4 [REDACTED] where are you? Great stuff. I did sneak  
 5 a peek at it and it's awesome. Also to [REDACTED] thank  
 6 you very much for your leadership on this. The third  
 7 person doesn't know they're going to be recognized.  
 8 They have a starring role in this video. Antoinette,  
 9 you are awesome. And we are so glad to have you. And  
 10 I hope that made you nervous wherever you are.

11 All right, with that, let's role the video.  
 12 More volume.

13 (Video begins.)

14 MR. GARLINGHOUSE: One of the reasons the end  
 15 of the year is my favorite time of year is because it's  
 16 an opportunity to reflect on everything that's happened  
 17 over the course of it. We're on track potentially to  
 18 pass a billion dollars of real volume transiting  
 19 Ripple's (inaudible). That is awesome. And as you  
 20 reflect back on where we were two years ago, it's far  
 21 beyond where I think anyone thought we were going to be  
 22 and certainly as I look around the marketplace, far  
 23 ahead of (inaudible).

24 Certainly, I think one of the most  
 25 transformative things that happened in 2017, really

0073

1 getting crisp around our product, being clear about  
 2 xCurrent, xRapid and xVia, understanding use case,  
 3 understanding the customer, really building momentum  
 4 across all of this. And of course any reflection of  
 5 what 2017 was for Ripple would be incomplete without  
 6 acknowledging the transformative year it's been in the  
 7 Crypto markets.

8 Seeing XRP go from fractions of a penny to  
 9 today around .25 has been transformative for the  
 10 company. It's been transformative for the industry.  
 11 And it really is because XRP is the heart of what we're  
 12 doing. Of course, it's also awesome to see we now are  
 13 closing in on 200 employees. And the end of the year  
 14 it really is about giving thanks to all of you and the  
 15 impact you have had on growing Ripple to what it is  
 16 today.

17 We have a huge opportunity in front of and  
 18 it's with all of you that I am optimistic we're going  
 19 to continue to be on the journey (inaudible).

20 [REDACTED] Hello, everyone. This is [REDACTED] and  
 21 I'm holding out at our Luxembourg office. In 2017 I'm  
 22 happy that I could contribute to make ILP more secure  
 23 and more reliable and for 2018 I'm looking forward to  
 24 keep doing that.

25 IN UNISON: (Speaking foreign language.)

0074

1 MALE SPEAKER: This year (inaudible) has the

2 main transaction here in Japan (inaudible). Next year  
3 we are making more acquisition. Thank you.

4 MALE SPEAKER: My proudest moment in 2017 is  
5 the increase in volume we saw from Q2 all the way to  
6 Q4. So at the end of Q2, we had one payment for a  
7 total of \$8.75. Halfway through Q4, we have over \$630  
8 million dollars of volume. That's around an 800,000  
9 percent increase which is roughly equal to the increase  
10 of value we've seen in XRP.

11 MALE SPEAKER: We kind of moved that dirty  
12 word of Acta into a good word. So now people are  
13 familiar with, hey let's reset my Acta password instead  
14 of Google or (inaudible).

15 FEMALE SPEAKER: I would say our proudest  
16 moment, at least for BSA compliance, kind of the super  
17 bowl for us is our annual audit, our independent review  
18 that we get every summer and we passed with flying  
19 colors yet again.

20 MALE SPEAKER: So my proudest moment on the  
21 xVia team in 2017 was when we signed our very first  
22 xVia customer. We've taken this from an idea to a real  
23 product with real infrastructure and real customers in  
24 less than a year.

25 MALE SPEAKER: Getting Sian Bank live real

0075

1 live payments from Japan into Sian Bank, I think we've  
2 been waiting a long time for this and to see our  
3 product and vision come to life, I thought that was  
4 super awesome. And in following that up a couple  
5 months later with using xRapid to our first flows,  
6 payment flows through xRapid was CUALLIX from Mexico,  
7 again something we've been working on and thinking  
8 about for three years now and seeing that come to  
9 fruition real quick, that was super exciting.

10 FEMALE SPEAKER: We made our hiring goal.  
11 We're super pumped so we decided to do as big fancy  
12 steak dinner. I don't remember most of what happened  
13 after we had our Martinis, but we did a great job. I  
14 know that.

15 FEMALE SPEAKER: Sitting around a Chinese  
16 restaurant with the rest of the marketing team, we  
17 pulled out a party hat, creating Swell from a party hat  
18 to what it became today was rewarding (inaudible) 2017  
19 and rewarding (inaudible).

20 MALE SPEAKER: Funniest Ripple moment in 2017  
21 was the person, we won't name names, who went to a  
22 presentation at Lyft with a slide deck with Uber's logo  
23 prominently presented on it.

24 MR. GARLINGHOUSE: A leadership off-site  
25 where a couple of the members of the leadership team.



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1 MALE SPEAKER: [REDACTED] Antoinette and Patrick  
2 decided that it wasn't time to end the evening, so they  
3 took matters into their own hands.

4 MR. GARLINGHOUSE: Maybe got to know a park  
5 ranger better than maybe they wanted. I'll leave it at  
6 that.

7 MALE SPEAKER: I've never been part of a  
8 group where I've been threatened that a park ranger  
9 would come and deal with it if we didn't get our act  
10 together.

11 FEMALE SPEAKER: So much fun this year riding  
12 rollercoasters in Copenhagen.

13 MALE SPEAKER: I'm on my flight home  
14 completely beat from flying and being, you know, in  
15 Asia. Two hours, you know, into a 10 hour journey and  
16 someone pukes on me. And at the time it wasn't funny,  
17 but I find it sort of funny now.

18 MALE SPEAKER: Molica and I went to an empty  
19 desk in our section and wrote "Welcome George, new  
20 product manager of xCurrent." And as people started  
21 trickling back, they started freaking out because  
22 [REDACTED] was like, "Who is this product manager? I  
23 didn't interview him." [REDACTED] was like, "Oh, this must  
24 be a joke," but you could see in his face (inaudible)  
25 being hired without asking him.

0077

1 FEMALE SPEAKER: (Singing) XRP, price is  
2 rising. Customers we're enticing. A beautiful sight,  
3 we're happy tonight, walking in a Ripple wonderland.  
4 Volume high, value moving. RippleNet, see it blooming.  
5 A beautiful sight, we're happy tonight walking in a  
6 Ripple wonderland. XVia, xCurrent, and xRapid,  
7 Thailand, India and Mexico bringing banks and everyone  
8 together the internet of value brings the dough.  
9 Sending money with no friction, we can do this, that's  
10 our vision. A beautiful sight, we're happy tonight  
11 walking in a Ripple wonderland, walking in a Ripple  
12 wonderland.

13 FEMALE SPEAKER: Thank you XRP team for a  
14 great year.

15 MALE SPEAKER: Here's looking to 2018.

16 FEMALE SPEAKER: Thank you so much.

17 MALE SPEAKER: Thank you to the whole team.  
18 It's been a blast working here.

19 MALE SPEAKER: Really excited to see what the  
20 team has to bring in 2018 so happy new year.

21 FEMALE SPEAKER: Thanks, team. Woohoo.

22 FEMALE SPEAKER: Thank you, everybody on  
23 compliance. Thank you to Ripple. A big thank you to

24 Antoinette for being our fearless leader.  
25 MALE SPEAKER: Thank you to leadership. You  
0078  
1 guys are pushing us towards the right direction.  
2 MALE SPEAKER: Thanks, everybody, for a  
3 fantastic year.  
4 MR. GARLINGHOUSE: Happy holidays to  
5 everyone. We're thrilled you're on team Ripple.  
6 (Video ends.)  
7 (End of video file.)  
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0079  
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